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DEPARTMENT OF STATE
Washington, D.C. 20520

APR 10 1981

Memorandum of Conversation

DATE: March 24, 1981
TIME: 11:00 A.M.
PLACE: Under Secretary Stoessel's Office

SUBJECT: Middle East Strategy, AWACS Sale, Soviet Jewry, European Initiative

PARTICIPANTS: American Jewish Committee Delegation (see attached list)

Walter Stoessel, Under Secretary for Political Affairs
Nicholas A. Veliotes, Assistant Secretary, NEA
Richard Baker, P
John Scott, NEA/IAI, (notetaker)

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The Under Secretary welcomed the Delegation. He told the group we attach great importance to our relationship with Israel, and want to hear the group's views and to explain our position.

Middle East Strategy

Mr. Wishner asked us about our new Middle East strategy and how we see events in the region unfolding.

The Under Secretary replied that we attach basic importance to the Camp David Accords, which have made a major difference in the Middle East situation. We are determined to go forward in the Peace Process. He pointed out that we are very concerned with the strategic situation because of the events of the past few years. There is danger from Soviet activities

in the area, and we must act to meet this danger. Secretary Haig's visit to the region will give him an opportunity to explain our views to regional leaders, and to hear their views. Assistant Secretary Veliotes noted that many countries in the region feel they were aware of the Soviet threat in the region sooner than we were and welcome our concern.

Mr. Wishner asked if any countries in the region were likely to accept a permanent U.S. presence, and if the press speculation about a U.S. presence in the Sinai was complicating our efforts to establish a force in the Sinai as called for in the Peace Treaty.

Assistant Secretary Veliotes said that no country in the region was prepared to accept a U.S. base or bases. However, several have been very forthcoming on the use, or the offer of use, of facilities. He noted Egypt as an example. However, as/ even in Egypt, colonial memories are fresh and this is a factor we must be aware of. Press speculation does complicate our efforts on a Sinai Security Force. Egypt is very sensitive about the Sinai bases or a foreign presence in the Sinai. Since a U.N. force now seems unlikely, we will probably end up with a multinational force involving U.S. personnel. While some in Congress will balk at U.S. involvement, our sense is that Congress will support it because of the importance of strengthening the Peace Treaty.

The Delegation members expressed agreement that Congress would support U.S. involvement in the Force. Under Secretary Stoessel told the group that we would appreciate their support with Congress on this question.

AWACS

The Delegation expressed its strong reservations about the sale of AWACS aircraft to Saudi Arabia. They pointed out that while there was concern in the Jewish community about the sale of F-15 add-on items, they did not see this as an unmanagable problem. However, there will be a major problem with the AWACS sale. It is hard to balance the additional threat to Israel with a benefit for the United States. It would be easier if one could see the Saudis moving closer to us on other issues; instead Saudi Arabia calls for a "jihad" against Israel, and refuses to talk to Israelis.

The Under Secretary thanked the group for its explanation of its views. He pointed out that while we have agreed in principle to the AWACS sale, the details (types and numbers of airplanes) must still be decided.

Assistant Secretary Veliotes reviewed our rationale for the sale in detail. He pointed out that the events of the last few years have affected our strategic situation in the region, one of three (Europe, Northeast Asia, Southwest Asia) where our vital interests are affected. The sale of early warning aircraft to Saudi Arabia will give them a better capability of meeting a threat from across the Persian Gulf. This threat was the reason we sent AWACS aircraft to Saudi Arabia last fall. He pointed out [illegible]e recognize Israel's concerns about the sale, and took t[illegible] o account in our decision-making process and by expanding aid to Israel. Our commitment to help Israel maintain its qualitative edge is firm. In a period of tight budgetary restraints, we made assistance to Israel immune to any cuts.

Assistant Secretary Veliotes went on to point out that we do not share the intensity of Israel's concern about the sale. The Saudis are not seeking self-sufficiency in these systems; they will not be able to operate them without U.S. help. In addition, if we sold the Saudis the AWACS aircraft, it would not arrive until 1985. Moreover, should the Saudis use this equipment against Israel it would probably destroy the U.S./Saudi relationship. In response to a question from the delegation, Assistant Secretary Veliotes said the Saudis would probably want the E-[illegible]A AWACS; he noted that unfortunately Israel's opposition probably confirmed for the Saudis that this was the right choice.

Soviet Jewry

The Delegation expressed the hope that the Administration's shift in emphasis on human rights matters would not affect the United States' efforts on behalf of Soviet Jewry.

Under Secretary Stoessel assured the Delegation that the United States remained very concerned about the question of human rights in general and the plight of Soviet Jews in particular. He pointed out that a vocal and public campaign was not always the best way to get results. Our efforts would not lapse, even if we chose less public ways to pursue our goals.

European Initiative

Mr. Wishner asked for the Department's views on the European Initiative, expressing his impression that it was alive and well.

Assistant Secretary Veliotes reviewed the position we were taking with the Europeans, specifically that we do not wish to be involved in the Europeans' planning, that we urge the Europeans not to take any steps that will damage our efforts, and that the Europeans should not believe that if they convince the PLO to endorse the Venice Declarations we will then pressure Israel to do so as well.

Closing the meeting, Mr. Bookbinder thanked the Under Secretary for his time and understanding. He said the group continued to have deep reservations about the AWACS sale, however, and believed we could expect serious problems in the American Jewish community and on the Hill.

Drafted:NEA/IAI:JFScott:kbm
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Approved:P:WJStoessel,Jr.

Participants in March 24 Meeting$

American Jewish Committee

Mr. Maynard Wishner, President

Mr. Bertram Gold, Executive Vice President

Mr. Theodore Ellenoff, Chairman, National Executive Council

Mr. Howard Friedman, Chairman, Board of Governors

Mr. Alfred Moses, Chairman, Executive Committee

Mr. Philip Hoffman, Honorary Chairman

Mr. Elmer Winter, Honorary Chairman

Mr. Richard Maass, Honorary Chairman

Mr. Mervin Riseman, Secretary

Robert Goodkind, Treasurer

Elaine Petschek, Assistant Treasurer

Gordon Zacks, Board of Governors

Hyman Bookbinder, Washington Representative

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